Final Action: MEC No. 21-0036-I, Action St. Louis (a project of the Movement Voter Project) and Action St. Louis Power Project, Inc.

Date: October 4, 2021

At its October 1, 2021 meeting, the Missouri Ethics Commission took final consideration of the complaint filed against Action St. Louis (a project of the Movement Voter Project) and Action St. Louis Power Project Inc.

The complaint filed with the Commission alleged that these two entities were operating as political action committees (PACs), and they failed to register with the MEC. Because they had not registered, the complaint also alleged that they had failed to file necessary campaign finance disclosure reports.

Action St. Louis, a project of the Movement Voter Project

The Movement Voter Project (MVP) is a 501(c)(4) organization registered with the IRS which works with grassroots organizations across United States. Action St. Louis began its work with this group.

In May 2019, Action St. Louis, a project of the Movement Voter Project filed two non-committee expenditure reports with the MEC indicating it had expended more than \$500 in support of multiple candidates.

Action St. Louis, a project of the Movement Voter Project, did not make expenditures of \$500 or more to support or oppose any candidate or ballot measure between July 2019 and July 2020. In July 2020, group leaders decided to incorporate as a stand-alone entity.

The MEC investigation found that the allegations against Action St. Louis (a project of the Movement Voter Project) related to activities occurring prior to July 2019 and were therefore outside the MEC's statute of limitations. The MEC is prohibited from investigating conduct "which occurred more than two years prior to the date of the complaint." Section 105.957.3, RSMo.

Action St. Louis, Inc.

Action St. Louis, Inc, registered with the Missouri Secretary of State on July 9, 2020, as a non-profit corporation registered. It has applied for a tax-exempt status with IRS as a 501(c)(3) entity.

Action St. Louis, Inc., represents itself as a "grassroots racial justice organization that seeks to build political power for Black communities in the St. Louis region. Action St. Louis builds

campaigns that leverages organizing, communications, advocacy and direct action to mitigate harm against our community while fighting for long term transformation."

Action St. Louis, Inc. supports campaigns such as Close the Workhouse, the People's Plan, Defund SLMPD, #WokeVoterSTL, and Housing Justice. It runs the Black Organizing Summer School (BOSS) program, which it states serves to, "deepen knowledge of political organizing...and apply training to current local campaigns, sharpen...political analysis...[and] provide local grassroots organizations additional staff capacity... Participants are trained in organizing, receive political education and perform hands-on work "registering voters, collecting signatures for ballot initiatives, canvassing, having one-on-one meetings an shadowing experienced organizers in the field."

Messages on the group's donate page mention the mission, values and vision of Action St. Louis, and no evidence was found that it intervenes in the nomination or election of candidates for public office. While it can, and has, endorsed certain ballot measures, "it has not spent \$500 or more" to support or oppose a ballot measure.

Action St. Louis Power Project, Inc.

Action St. Louis Power Project, Inc., is a non-profit corporation that registered with the Missouri SOS on July 8, 2020 and has notified the IRS of its intent to operate as a 501(c)(4) organization. It represents itself as the "political and advocacy arm of Action St. Louis, Inc".

Its donation page states, "Action is working to build Black political power in the St. Louis region by vetting and endorsing candidates, educating voters, canvassing and phone banking [sic]. Action works to engage new voters and re-engage voters, expanding the voting pool."

Action St. Louis Power Project, Inc., supported or opposed candidates and ballot measures on both the local and state level for the August 2020 and November 2020 elections and for the March 2021 and April 2021 elections. The organization filed ten non-committee expenditure reports with the MEC in 2020 and 2021 indicating a total of \$261,021.91 spent to support or oppose multiple candidates and ballot measures during the 2020 and 2021 election cycles The expenditures were in the nature of staff expenses, including GOTV; canvassing; phone-banking; and printing; mailing; and sample ballots, all for specific candidates and ballot issues.

Given its involvement detailed above, the MEC investigation concentrated on whether Action St. Louis Power Project, Inc. met the definition of a campaign finance committee under Missouri law and was therefore required to register with the Commission and file campaign finance disclosure reports.

A PAC, or continuing committee, is defined as:

A committee of continuing existence which is not formed, controlled or directed by a candidate and is a committee other than a candidate committee or campaign committee, whose primary or incidental purpose is to receive contributions or make expenditures to influence or attempt to influence the action of voters[.]

Section 130.011(10), RSMo. "Committee" does not include:

A corporation, cooperative association, partnership, proprietorship, or joint venture organized or operated for a primary or principal purpose other than that of influencing or attempting to influence the action of voters for or against the nomination or election to public office of one or more candidates or the qualification, passage or defeat of any ballot measure, and it accepts no contributions, and all expenditures it makes are from its own funds or property obtained in the usual course of business or in any commercial or other transaction and which are not contributions[.]

Section 130.011(7)(a)d, RSMo.

As stated, Action St. Louis Power Project, Inc., participated in activity that supported or opposed specific candidates and ballot measures in the 2020 and 2021 elections. This activity was reported to the MEC on Non-Committee Expenditure Reports. The group did not solicit "contributions" especially for those advocacy activities, but rather, spent its own funds obtained in the usual course of business.

Action St. Louis Power Project, Inc. provided evidence that it was also active in numerous nonelection related activities including the West End Plan, the North Central Plan, supporting federal housing legislation, opposing state legislation, educating about ward redistricting and Medicaid expansion, and conducting research and project planning during this investigation period. A portion of its funds support these projects and the corporation represents that it will continue to do so in the future.

In summary, the MEC investigation found that while Action St. Louis Power Project, Inc., was involved in these campaign activities, it was not formed for the primary or principal purpose of influencing or attempting to influence the action of voters. Action St. Louis Power Project, Inc. did not accept campaign finance contributions and it spent its own funds raised by the organization. As a result, Action St. Louis Power Project, Inc., was not required to register a committee with the MEC.

From the facts presented, the Commission found no reasonable grounds exist to support a violation of Chapter 130, RSMo, and dismissed the complaint.

Elizabeth L. Ziegler Executive Director